

Serial No.: 09/415,632
Docket No.: 10655.7700

Remarks

Applicant hereby responds to the Office Action mailed October 24, 2003 regarding the above-referenced patent application, of which this Response is being timely filed within the shortened statutory three month period for response. The patent application was submitted as an RCE on July 7, 2003 with claims 1-10 and the Examiner rejects claims 1-10 based on a new prior art reference.

Applicant also submitted an Amendment on August 8, 2003 which added Rockell Metcalf as an inventor.

The Examiner rejects claims 1-10 under 35 U.S.C. 102(e) as being unpatentable over Lawlor, et al. (6,202,054). Applicant respectfully traverses this rejection.

Lawlor is limited to a system for conducting financial transactions from remote terminals (homes and offices) by using an ATM network to overcome the high costs associated with banks linking with home computers or the limitations of telephone banking not being able to handle complex financial transactions. Moreover, Lawlor attempts to expand the limited services offered through ATM networks. Furthermore, Lawlor figures 14-17 are limited to a bill pay processing routine. The bill processing routine includes many helpful features such as preventing double payments to the same payee, checking if the payment amount is greater than a pre-established limit (Fig. 13), options for payment in the future (Fig. 14A), periodic bill payments (Figs. 14C, 15, 16A and 16B), review and correct bills (Figs. 17A-17C), pay additional bills (Fig. 14C), preventing an overdraw payment (Fig. 17B), and canceling a scheduled payment (Fig. 17C). After facilitating any or all of these features, the Lawlor system transmits a debit request over an ATM network for each bill, wherein the debit request includes payment information for the particular bill (i.e., amount, payor bank information, payee bank account) (col. 46, lines 65-68). In other words, the remittance is not combined with extra funds; rather, each remittance amount is earmarked for a particular bill only.

While Lawlor may allow payments of any vendor bills, IRAs, money market, mortgage, etc., Lawlor is limited to a system which automatically debits a payor's account for the particular amount of the bill (or payment) and deposits the same funds in the payee's account. As such, contrary to the Examiner's statement, Lawlor Figures 14-17 (or any other portion of the Lawlor reference) do not even remotely disclose, suggest

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or teach a remittance database which receives a combined remittance (funds for financial events and investment) and distributes the remittance among the financial events and the brokerage system based on hierarchy rules. In fact, the only mention of the term "brokerage" is in the context of a different reference discussed in the background section of the Lawlor reference, and as discussed in the previous Response, the presently claimed invention goes way beyond a general integration of banking and brokerage services.

As stated in the previous remarks, Applicant is NOT simply claiming an advanced bill payment system with numerous features or a credit card system used in conjunction with a brokerage system. Rather, the presently claimed invention uses hierarchy rules for dividing a combined remittance to a charge card billing system among debts related to financial events AND among payments to investment products (which may include its own hierarchy for further distribution of funds to particular investments). The presently claimed invention uses the established charge card billing system to accept a combined remittance from the user which includes funds which are in addition to the funds for paying off any portion of outstanding charge card debt. The presently claimed invention discloses pre-established, automatic hierarchy rules at the charge card billing system for dividing the combined remittance which includes charge card funds and investment funds, wherein the acceptance of a combined remittance and implementation of the hierarchy rules include complex software and hardware additions to the system. In other words, the Lawlor reference cited by the Examiner does not disclose or teach a system wherein a customer could contact a charge card billing system to establish hierarchy rules for accepting a combined remittance and dividing the combined remittance among charge card funds and investment funds.

Moreover, while Applicant acknowledges that the Lawlor system is a helpful bill paying system, it is simply not the present invention, and in fact, teaches a completely different purpose, namely, the use of an existing ATM network to facilitate banking services. In contrast, the Applicant developed the presently claimed invention to allow cardmembers, for the first time, to submit a combined remittance. As discussed in the previous Response, the novelty of the presently claimed invention is highlighted by the fact that Applicant has spent many years negotiating with the Securities and Exchange

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Commission (SEC) to obtain an exemptive order for the acceptance of a combined remittance with additional funds through a charge card billing system for distribution to a brokerage account because the procedure has never been previously implemented or disclosed.

Upon entry of the foregoing amendments, Applicant believes that the application is now in condition for allowance and respectfully requests a Notice of Allowance. Moreover, this Amendment and Response does not incorporate any new matter. However, if the Examiner has any questions or concerns about this Response or the Application, please contact the undersigned attorney at the Examiner's convenience.

Respectfully submitted,

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By: 

Howard I. Sobelman
Reg. No. 39,038

SNELL & WILMER LLP.
One Arizona Center
400 East Van Buren
Phoenix, Arizona 85004-2202
(602) 382-6228
Fax (602) 382-6070
Email: hsobelman@swlaw.com